

Hearing Date: November 30, 2015 at 2:00 p.m. (ET)

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

)	
In re:)	Chapter 11
)	
33 PECK SLIP ACQUISITION LLC, <u>et al.</u> ,)	Case No. 15-12479 (JLG)
)	(Jointly Administered)
Debtors.)	
)	

**UBS LENDERS' RESERVATION OF RIGHTS AND
JOINDER IN CORNERSTONE LENDERS' PROTECTIVE
OBJECTIONS AND RESPONSES TO PLAN CONFIRMATION**

33 Peck Slip Hotel Capital LLC, 36 West 38th Street Hotel Capital LLC, and UBS Realty Investors LLC (collectively, the "UBS Lenders"), secured creditors, by and through their counsel, Kelley Drye & Warren LLP, hereby submit this reservation of rights and joinder (collectively, the "Response") in the Cornerstone Lenders' Protective Objections and Responses to Plan Confirmation (D.I. 163) (the "Cornerstone Response") with respect to the Debtors' plan of liquidation dated October 16, 2015 (D.I. 156) (the "Plan"). In support of their Response, the UBS Lenders respectfully state as follows:

1. The UBS Lenders have secured claims against the assets of debtors 33 Peck Slip Acquisition LLC ("33 Peck Slip"), Case No. 15-12479-JLG, and 36 West 38th Street, LLC ("36 West 38th Street"), Case No. 15-12480-JLG. 33 Peck Slip operates a Best Western hotel steps from South Street Seaport in lower Manhattan (the "Best Western Seaport"), and 36 West 38th Street owns a cleared and vacant property in the Bryant Park neighborhood in midtown Manhattan (the "Bryant Park Property") and collectively with the Best Western Seaport, the "UBS Properties").

2. Under the terms the agreements between the applicable Debtors and applicable UBS Lenders, the UBS Lenders provided long-term participating mortgage loans (collectively, the "Participating Mortgages") to the Debtors for the redevelopment of the Best Western Seaport and the Bryant Park Property into high-end boutique hotels.

3. As discussed at the hearing on November 13, 2015, the UBS Lenders believe that they have reached the terms of agreed final cash collateral orders for both 33 Peck Slip and 36 West 38th Street, which the parties anticipate will be entered next week. These cash collateral orders address the payoff terms of the Participating Mortgages.

4. The terms of those cash collateral orders have not yet been incorporated into the Plan or a draft confirmation order. As of the filing of this Response, the UBS Lenders have not received or reviewed a draft confirmation order, and thus cannot address, much less object, to the terms of such a hypothetical confirmation order.

5. With the final cash collateral orders still to be entered, and without a draft confirmation order, the UBS Lenders file this Response to reserve all of their rights with respect to the Plan and confirmation order, particularly with respect to incorporating the terms of the cash collateral orders into the confirmation order, and/or ensuring that there is no conflict between such orders.

6. Many of these issues have been raised by the Cornerstone Lenders in the Cornerstone Response, which, for the sake of judicial efficiency, the UBS Lenders hereby join rather than restate.

RESERVATION OF RIGHTS

7. The UBS Lenders further reserve their rights to amend and/or supplement this Response, including, without limitation, adding and supplementing objections at the hearing(s) on confirmation of the Plan.

Dated: November 13, 2015
New York, New York

KELLEY DRYE & WARREN LLP

By: /s/ Gilbert R. Saydah, Jr.
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CERTIFICATE OF SERVICE

I, Gilbert R. Saydah Jr., hereby certify I am not less than 18 years old and that today I have caused a true and correct copy of the *UBS Lenders' Reservation Of Rights And Joinder In Cornerstone Lenders' Protective Objections And Responses To Plan Confirmation* to be filed and served via the Court's CM/ECF electronic filing system.

Dated: November 13, 2015
New York, New York

/s/ Gilbert R. Saydah Jr.
Gilbert R. Saydah Jr.